

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR.

GARY R. HERBERT Lieutenant Governor

April 13, 2006

CERTIFIED RETURN RECEIPT 7044 2510 004 1824 7586

Loy D. Crapo 350 East 300 South PO Box 1113 Delta, Utah 84624

Subject: Final Assessment, Cessation Order MC-06-04-01(1), Loy Crapo, Drum

Slate #1 Mine, S/023/072, Juab County, Utah

Dear Mr. Crapo:

On March 9, 2006, the Division sent you, via Certified Mail, the reassessment of the penalty associated with the above-referenced Cessation Order. Under rules R647-7-106 & R646-7-107 you are allowed 30 days from the receipt of the proposed assessment to request a conference or hearing to review the fact of the violation or assessment. Our records indicate that you actually received the reassessment on March 13, 2006.

If you wanted to appeal the fact of the Cessation Order or request a review of the proposed penalty assessment, that conference or hearing should have been requested on or before April 12, 2006. No request has been made; therefore, under R647-7-108 the opportunity to appeal is past and the proposed assessment is now considered final.

The penalty in the amount of \$528 is now due and payable. Please remit payment to the Division, mail c/o Vickie Southwick. Failure to provide the required payment within 30 days may result in civil action in the appropriate district court.

Thank you for resolving this situation. Please call me at (801) 538-5325 if you have any questions.

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Sincerely,

Daron R. Haddock Assessment Officer

P. S. We have yet to receive your payment for violation MC-2005-02-03, which was issued at the Septarian lease ML-27618. The final assessment on that violation was \$550 and was due on March 2, 2006. This payment is past due and will be turned over to the Attorney Generals office for further action. Please remit payment as soon as possible to avoid further action.

DRH:vs Enclosure:

c: Vicki Bailey, Accounting Vickie Southwick, Exec. Sec.

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